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METRO-EAST NEWS

# State grants help Randolph County communities cope with mine, power plant closures

By **Kelly Smits**

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Outside of the coal-fired power plant in Baldwin, Ill. on Sept. 14, 2023. Joshua Carter *Belleville News-Democrat*

A new state grant program is providing $40 million this year to communities coping with the closure of fossil fuel plants or coal mines. About $3.28 million is going to the metro-east, which is dealing with hundreds of job losses and millions in lost property tax revenue.

Municipalities, counties, school districts and other taxing districts within 30 miles of a plant or mine that closed in the past six years or is closing in the next six years were eligible for the grants.

The grants can be used in a variety of ways “to plan for or address the economic and social impact on the community or region” of the energy transition away from coal and other fossil fuels to renewables as Illinois, the United States and the entire world shift gears to address the worsening climate crisis.

The Energy Transition Community Grant Program was created by an article of the Climate and Equitable Jobs Act that Gov. J.B. Pritzker signed into law in 2021. The legislation prioritizes a “just transition,” aiming to help communities and workers that have depended on fossil fuels. The act allocates $40 million annually for the grant program until 2045.

Randolph County, the Village of East Alton, the City of Red Bud and the Village of Baldwin are the four grant recipients in southwestern Illinois.

Randolph County, Red Bud and Baldwin are all receiving a grant due to the planned closure of the Baldwin Power Plant — a coal-fired plant now owned by Vistra Corp. — by the end of 2025. One of the plant’s three units already ceased operations in 2016. The plant’s full retirement is projected to lead to 130 job losses, according to the Department of Commerce and Economic Opportunity, the state agency responsible for administering the grants.

The county has an agreement with the plant to scale back its property tax assessed value from $40 million in 2019 to $8 million in 2024, according to the Randolph County Supervisor of Assessments Office. The value won’t go down to zero, but close to it.

Vistra is turning the plant into a 68 megawatt solar farm that will enter into service by 2025, which will help with the assessed value, but not much in comparison to its current value, according to the office.

Randolph County is getting a bigger grant because of the Gateway South Mine closure in 2017 that led to 155 job losses, according to the Department of Commerce and Economic Opportunity.

East Alton’s grant was determined by the 2016 retirement of the Wood River Power Station, which was later demolished in 2021. The closure led to 180 jobs lost, according to the department.

Here’s how the metro-east recipients are using or planning to use their share of the money.

## Randolph County

Randolph County Commissioner Marc Kiehna said the county is using its grant of about $1.6 million in combination with other funds to turn half of its Care Center in Sparta into a behavioral health care center that has been discussed for years to help people dealing with mental health and substance abuse issues.

“We’re kind of a desert when it comes to the kind of help that folks need who have issues with this,” he said.

The approximately 100-bed nursing home was built around 1950 after the county successfully passed a referendum, Kiehna said, but its population dipped significantly during the Covid-19 pandemic.

“Considering the need for behavioral health care services, and the fact that we had this building that was largely underutilized, we thought we’d start a conversation about having our own behavioral health care center,” he said. That conversation has involved ComWell and Sparta Community Hospital, who the county is working with to staff the center.

Last November, the county put its proposal to renovate the care center on the ballot, which voters approved.

Kiehna said the county has been putting itself in a position to accomplish this without going to citizens and asking for tax dollars. Instead, it will be using about $3 million in funding from the American Rescue Plan Act — Congress’ 2021 pandemic stimulus bill — in addition to the $1.6 million energy transition community grant to fund the renovation.

“This energy transition grant came along from Department of Commerce and Economic Opportunity, and as we started thinking about it, it kind of made sense for us,” he said. “As I learned more about what this grant was for, it was not only for employment but for social issues as well.”

The county has also received a half-million dollar grant from the Delta Regional Authority for the center’s new parking lot and will be getting a $2 million incentive through the Inflation Reduction Act for the center’s new $4 million heating and air conditioning system, which will be powered by geothermal wells.

“We’re well on our way to funding almost all of it,” Kiehna said.

He expects the renovations to begin soon and continue through 2024.

## East Alton

Mayor Darren Carlton said East Alton is planning to use its grant of about $1.5 million to enhance the village’s water facilities.

The municipal water plant serves three large industrial customers and about 6,500 residents in 2,300 houses, he said. “We want to make sure we can keep up with the industrial demand and also the residential demand.”

The village held a public meeting on May 16 to get input from the community on how to use the money, he said, but only a few people attended and nobody submitted a plan after it.

East Alton is still waiting to receive the formal notice of award from the state, Carlton said.

## Red Bud

Situated about 10 miles west of the Baldwin Power Plant in Randolph County, Red Bud has also received an energy transition community grant to the tune of about $86.8 thousand.

Mayor Susan Harbaugh said the city is using the grant for the development of the Red Bud Business Park.

The city purchased two parcels of land on the city’s east side comprising 53.2 acres on Dec. 17, 2020, but “movement forward was delayed due to the pandemic,” she said.

Red Bud is planning to develop streets and infrastructure to entice future tenants, with the goal of building upon the city’s robust industry base, Harbaugh said, which includes outdoor play equipment, surgical instruments, aluminum and steel can conveyance, and rubber and plastics.

In addition to the grant, she said the city is hoping to use ARPA funding and apply for other grants for the project.

“We hope this project moves forward in the next year,” she said.

## Baldwin

Village President Virgil Chandler said Baldwin is planning to use its grant of just over $53 thousand for a sewer line extension.

He said the village currently has a free flow system with a pump but is putting in a forced main to split a section of the sewer lines to bypass a few homes that have experienced backups.

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**Kelly Smits** *Belleville News-Democrat* 618-239-2102

Kelly Smits is the education and environment reporter at the Belleville News-Democrat.
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